

JAMES R. BENSON & CLARK H. GREEN,
Publishers & Proprietors,
And Publishers of the Laws, &c., of the United
States, by authority.

TERMS.

Published every Saturday, at \$3 in advance, or \$4 at the end of the year. No paper discontinued until at the option of the editors until all arrears are paid—and a failure to give notice (before the end of the year) of a wish to discontinue will be considered a new engagement.

RATES OF ADVERTISING.

One dollar per square, of twelve lines or less, for the first insertion, and fifty cents a square for each subsequent insertion.

For one square twelve months, twenty dollars. Where the insertion of an advertisement is ordered, without the number of insertions being specified, it will be inserted (at the discretion of the proprietors) until forbid, and charged for accordingly.

All advertisements from strangers, as well as all orders for job-work, must be accompanied with the cash, or a reference to some responsible and convenient acquaintance.

AUTHORIZED AGENTS.

A. R. OLDMAN, Middle Grove, Monroe co.
JAMES HUGHES, Richmond, Ray co.
JAMES HEAD, Four Mile Prairie, Randolph co.
W. F. SWITZLER, Columbia, Boone co.
C. P. BROWN, Platte City, Platte co.
THOMAS JACKMAN, Rochester, Boone co.
Wm. D. MALONE, Huntsville, Randolph co.

SPEECH OF MR. CLAY,

UPON HIS RESOLUTIONS CONCERNING THE TARIFF AND OTHER GREAT OBJECTS OF PUBLIC POLICY.

IN SENATE, March 21.

(CONCLUDED.)

I now approach the consideration of a very important branch of the subject in its connexion with the compromise act.

I shall not here attempt to go again into the history of that act. I will only say that, at the time of its passage, it was thought right that the country should make a fair experiment of its effects; that, as the law itself met the approbation of all parts of the country, its provisions ought not lightly to be departed from; that the principles of the act should be observed in good faith; and that, if it be necessary to raise the duties higher than twenty per cent., we ought to adhere to the principles of the compromise, then, as far as it should be possible to do so. I have been animated, in the propositions I now offer to the Senate, by the same desire that prompted me, whenever the act has been assailed by its opponents, to stand by and defend it.

But it is necessary now to consider what the principles of the compromise act really are.

I. The first principle is, that there should be a fixed rate of *ad valorem* duty, and discriminations below it.

II. That the excess of duty beyond twenty per cent. should, by a gradual process, commencing on the 31st December, 1833, be reduced, so that by the 30th June, 1842, it should be brought down to twenty per cent.

III. That, after that day, such duties should be laid for the purpose of raising such revenue as might be necessary for an economical administration of the Government; consequently excluding all resort to internal taxation, or to the proceeds of the public lands. For, contemporaneously with the pendency of the compromise act, a bill was pending for the distribution of those proceeds.

IV. That, after the 30th of June, 1842, all duties should be paid in ready money, to the exclusion of all credits.

V. That, after the same day, the assessment of the value of all imports should be made at home and not abroad.

VI. That, after the same day, a list of articles specified and enumerated in the act should be admitted free of duty, for the benefit of the manufacturing interest.

These are the principles, and all the principles, of the compromise act. An impression has been taken up most erroneously that the rate of duty was never to exceed twenty per cent. There is no such limitation in the act. I admit that, at the time of the passage of the act a hope was entertained that a rate of duty not exceeding twenty per cent. would supply an adequate revenue to an economical administration of the Government. Then we were threatened with that overflow of revenue with which the Treasury was subsequently inundated; and the difficulty was to find articles which should be liberated from duty and thrown into the free class. Hence, wines, silks, and other luxuries were rendered free. But the act, and no part of the act, when fairly interpreted, limits Congress to the iron rule of adhering forever, and under all circumstances, to a fixed and unalterable rate of twenty per cent. duty. The first section is in the following words:

"Be it enacted, &c., That from and after the 31st day of December, 1833, in all cases where duties are imposed on foreign imports by the act of the 14th of July, 1832, entitled, 'An act to alter and amend the several acts imposing duties on imports,' or by any other act, shall exceed twenty per centum on the value thereof, one tenth part of such excess shall not be deducted; from and after the 31st day of December, 1835, another tenth part thereof shall be deducted; from and after the 31st day of December, 1837, another tenth part thereof shall be deducted; from and after the 31st day of December, 1839, another tenth part thereof shall be deducted; and from and after the 31st day of December, 1841, one-half of the residue of such excess shall be deducted; and from and after the 30th day of June, 1842, the other half thereof shall be deducted."

The provision of that section is nothing more nor less the existing duties should be, by the 30th June, 1842, brought down to twenty per cent. What then? Were they always to remain at that rate? The section does not so declare. Not only is this not expected, and was not so understood, but directly the reverse is asserted, and was so understood, if the exigencies of the Treasury required a higher rate to provide the revenue necessary to an economical administration of the Government. The

third section, which embodies most of the great principles of the act, is in these words:

"Sec. 3. And be it further enacted, That, until the 13th day of June, 1842, the duties imposed by existing laws, as modified by this act, shall remain and continue to be collected. And, from and after the day last aforesaid, all duties upon imports shall be collected in ready money, and all credits now allowed by law, in the payment of duties, shall be, and hereby are, abolished; and such duties shall be laid for the purpose of raising such revenue as may be necessary to an economical administration of the Government; and, from and after the day last aforesaid, the duties required to be paid by law on goods, wares and merchandise shall be assessed upon the value thereof at the port where the same shall be entered, under such regulations as may be prescribed by law."

What is the meaning of this language? Can any thing be more explicit or less liable to misconception? It contains two obligations. The first is, that there shall be an economical administration of the Government: no waste, no extravagance, no squandering of the public money. I admit this obligation, in its fullest force, in all its length and breadth, and I trust that my friends, with or without my aid, will fulfil it, in letter and spirit, with the most perfect fidelity. But the second obligation is no less binding and imperative; and that is, that such duties shall be laid as may be necessary to raise such revenue as is requisite to an economical administration of the Government. The source of the revenue is defined and prescribed—the foreign imports to the exclusion of all other sources. The amount, from the nature of things, could be specified; but whatever it may be, be it large or small, allowing us to come below, or requiring that we should go beyond twenty per cent., that amount is to be raised.

I contend, therefore, with entire confidence, that it is perfectly consistent with the provisions of the compromise act to impose duties to any amount whatever, thirty, forty, or more per cent., subject to the single condition of an economical administration of the Government.

What are the other principles of the act? First, there is the principle that a fixed *ad valorem* duty shall prevail and be in force at all times. For one I am willing to abide by that principle. There are certain vague notions afloat as to the utility and necessity of specific duties and discriminations, which I am persuaded arise from a want of a right understanding of the subject. We have had the *ad valorem* principle practically in force ever since the compromise act was passed; and there has been no difficulty in administering the duties of the Treasury on that principle.

It was necessary first to ascertain the value of the goods, and then to impose the duty upon them; and from the commencement of the act to this day, the *ad valorem* principle has been substantially in operation. Compare the difference between specific and the *ad valorem* system of duties, and I maintain that the latter is justly entitled to the preference. The one principle declares that the duty paid shall be upon the real value of the article taxed; the specific principle imposes an equal duty on articles greatly unequal in value.—Coffee, for example, (and it is an article that always suggests itself to my thoughts,) is one of the articles on which a specific duty has been levied. Now it is perfectly well known that the Mocha coffee is worth at least twice as much as the coffee of St. Domingo or Cuba, yet both pay the same duty. The tax has no respect to the value, but is arbitrarily levied on all articles of a specific kind alike, however various and unequal may be their value. I say that, in theory, and according to every sound principle of justice, the *ad valorem* mode of taxation is entitled to the preference.—There is, I admit, one objection to it: as the value of an article is a matter subject to opinion, and as opinions will ever vary, either honestly or fraudulently, there is some difficulty in preventing frauds. But with the home valuation proposed by my friend from Rhode Island, (Mr. Simmons) the *ad valorem* system can be adopted with all practical safety, and will be liable to those chances only of fraud which are inevitable under any and every system.

Again: What has been the fact from the origin of the Government until now? The articles from which the greatest amount of revenue have been drawn, such as woolsens, linens, silks, cottons, worsteds, and a few others, have all been taxed on the *ad valorem* principle, and there has been no difficulty in the operation. I believe, upon the whole, that it is the best mode. I believe that if we adopt a fixed rate *ad valorem*, wherever it can be done, the revenue will be subjected to fewer frauds than the injustice and frauds incident to specific duties. One of the most prolific sources of the violation of our revenue laws has been, as every body knows, the effort to get in goods of a finer quality and higher value admitted under the lower rate of duty required for those of a lower value. The honorable gentleman from New Hampshire (Mr. Woodbury) and the honorable Senator from N. Y., (Mr. Wright) both well knew this. But if the duty was laid *ad valorem* there could be no motive for such an effort, and the fraud, in its present form, would have no place. In England, as all who have read the able report made by Mr. Hume, a Scottish member in the House of Commons, must perceive, they seem to be giving up specific duties, and the tendency in the public mind appears to be, instead of having a variety of specific duties and a variety of *ad valorem* duties, to have one permanent fixed rate of duty for

all articles. I am willing I repeat, to adhere to this great principle as laid down in the compromise act. If there be those who suppose that, under the specific form of duty, a higher degree of protection can be secured than under the other mode, I would observe that the actual measures of protection does not depend upon the form but on the amount of the duty which is levied on the foreign rival article.

Assuming that we are to adhere to this principle, then every one of the leading principles of the same act can be adhered to and fully carried out; for I again assert that the idea that duties are always to remain at precisely twenty per cent., and never to vary from that point, be the exigencies of Government what they may, does not belong to the language of act, nor is it required by any one of its provisions.

The next resolution I have proposed to the consideration of the Senate is this:

Resolved, That the provision in the act of the extra session, for the distribution of the proceeds of the public lands, requiring the operation of that act to be suspended, in the contingency of a higher rate of duty than twenty per cent. ought to be repealed.

Now, according to the calculations I have made, the repeal of the clause in question and the recall of the proceeds of the sales of public lands from the States, even if made, will not dispense with the necessity of a great increase in the existing rate of taxation. I have shown that a duty of thirty per cent. will not be too much to furnish the requisite amount of revenue for a just and economical administration of the Government. And how much of that rate will be reduced should you add to the revenue from imports the million and a half (which was the amount realized the last year) derived from sales of the public domain? It will be but the difference between 30 and about 28 1-2. For, since 30 per cent. yields a revenue of twenty-six millions, one per cent. will bring about \$900,000; and every million of dollars derived from the lands will reduce your taxation on imports only \$900,000; if you get a million and a half from the lands, it will reduce the taxes only from 30 to 28 1-2 per cent.; or if you get three millions, as some gentlemen insist will be the case, then you will save taxes in the amount of the difference between 30 per cent. and about 27 per cent. This will be the whole extent of benefit derived from this inland fund, which some Senators have supposed would be so abundant as to relieve us from all necessity of additional taxation at all. I put it, then, to every Senator, no matter whether he was opposed to the land bill or not, whether he is willing, for the sake of this trifling difference between 30 and 28 1-2 per cent. or between 30 and 27 per cent., to disturb a great, momentous and perplexing subject of our national policy, which is now settled, and thereby show such an example of instability in legislation as will be exhibited by the fact of unsettling so great a question within less than eight months after it had been fixed, on the most mature consideration? If gentlemen can make more out of the land fund than I have here stated, it likely to yield, I should be glad to hear on what ground they rest their calculations. I say that all the difference it will produce in the amount of our increased taxation is the difference between 30 and 28 1-2 or between 30 and 27 per cent. Will you, I repeat the question, when it is absolutely and confessedly necessary that more revenue shall be raised, and the mode in which it may be done is fraught with so many and so great benefits to the country, as I shall presently show, will you disturb a great and vexed national question for the sake of eking out in so trifling a degree the amount to be raised? But let us look at the subject in another point of view. The resources on which Government should depend for paying the public creditors and maintaining inviolate the national faith and credit, ought to be such as to admit of some certain estimate and calculation. But what possible reliance can be placed on a fund so fluctuating and variable as that which is derivable from the sales of the public lands? We have seen it rise to the extraordinary height of twenty-six millions in one year, and in less than six years afterwards fall down to the low amount of one million and a half!

The next resolution affirms a proposition which I hope will receive the unanimous consent of the Senate. It is as follows:

Resolved, That it is the duty of the Government at all times, but more especially in a season such as now exists of general embarrassment and pecuniary distress, to abolish all useless institutions and offices, to curtail all unnecessary expenses, and to practice rigid economy.

And the seventh resolution declares—That the contingent expenses of the two Houses of Congress ought to be greatly reduced; and the mileage of members of Congress ought to be regulated and more clearly defined.

It has appeared to me that the process of retrenchment of the public expenses and reform of existing abuses ought to begin in an especial manner here, with ourselves, in Congress itself, where is found one of the most extravagant of all the branches of the Government. We should begin at home, and encourage the work of retrenchment by our own example. I have before me a document which exhibits the gradual progress in the contingent expenses of the two Houses of Congress from 1820 to 1840, embracing a period of twenty years, divided into terms four years apart, and it shows that the amount of the contingent fund has advanced from \$86,000, which it was in 1824, to \$121,000 in 1828, a rate of increase not greater than was proper considering the progress of the

country; to \$165,000 in 1832; to \$263,000 in 1836, and in 1840 it amounted, under an administration which charged that in 1824 with extravagance, to the enormous sum of \$384,333! I am really sorry, for the credit of Congress, to be obliged to read a statement exhibiting such shameful, such profligate waste. And allow me here to say, without any intention of being unkind to those able and competent officers, the Secretary of the Senate and the Clerk of the House of Representatives, (not the present Clerk,) that they ought to bear a share of the responsibility for the great and sudden growth of this expenditure.—How did it arise? The Clerk presents his estimate of the sum that will be necessary, and the Committee of Ways and Means, being busily occupied in matters of greater moment, take it without sufficient examination, and insert it at once in the appropriation bill. But I insist that it should be cut down to a sum of which members of Congress may with some decency speak to their constituents. A salutary reform has been commenced in the House of Representatives, which ought to be followed up here. They have already stricken \$100,000 from the contingent fund for both Houses; but they should go much lower.—I hope there will be another item of retrenchment, in fixing a reasonable maximum amount to be allowed for stationery furnished to the members of Congress. If this shall be adopted, much will have been done, for this is one of the most fruitful sources of Congressional extravagance. I am told that the stationery furnished during the 25th Congress averages more than \$100 per head to each member. Can any man believe that any such amount as this can be necessary? Is it not an instance of profligate waste and profusion?

My next resolution is directed to the expenses of the Judicial department of the Government:

Resolved, That the expenses of the judicial department of Government have, of late years, been greatly increased, and ought to be diminished.

In this department, also, there has been a vast augmentation of the expenses, and such an one as calls for a thorough investigation. The amount of the appropriation for the Judicial department has sprung up from \$209,000, which it was in 1824, to \$471,000, at which it stood for the year 1840. Can any man believe that this has all been fairly done? that that department actually requires the expenditure every year of nearly half a million of dollars?—I have no doubt that the District Judges and the Marshals, who have great control of the expenditure of the fund, and the Clerks, ought to be held responsible for this enormous increase. Without any intention to indulge in any invidious distinctions, I think I could name a district in which great abuses prevail, and the expenditures are four or five times greater than they are in any other district throughout the country. I hope this whole matter will be thoroughly investigated, and that some necessary restraints will be imposed upon this branch of the public service. I am truly sorry that in a branch of the Government which, for its purity and uprightness, has ever been distinguished, and which so well merits the admiration of the whole country, there should have occurred so discreditably an increase in the expenses of its practical administration.

The next resolution asserts—That the diplomatic relations of the United States with foreign Powers have been unnecessarily extended during the last twelve years, and ought to be reduced.

I will not dwell long on this subject. I must remark, however, that since the days of Mr. Adam's administration the number of foreign ministers of the first grade has nearly doubled, and that of ministers of the second grade has nearly tripled. Why, we have ministers abroad who are seeking for the Governments to which they are accredited, and the Governments are not to be found! We have ministers at Constantinople and Vienna—and for what? We have an unreciprocated mission to Naples—and for what? There was at the last session an attempt to abolish this appointment, but it unfortunately failed. One would think that in such a one-sided, unreciprocated diplomacy, if a regard to economy did not prompt us to discontinue the relation, national pride would. In like manner, we might look round the coasts of Europe and of this continent, and find mission after mission which there seems to be no earthly utility in retaining. But I forbear.

On the subject of mileage, I hope there may be an effort to equalize it justly, and render it uniform, and that the same allowance will be made for the same distance travelled, whether by land, by water or by steam route, or whether the distance be ascertained by horizontal or surface measurement. I think the former the best mode, because it limits us to a single and simple inquiry, and leaves no open door for abuses. I hope, therefore, that we shall adopt it.

The next resolution of the series reads thus:

Resolved, That the franking privilege ought to be further restricted, the abusive uses of it restrained and punished, the postage on letters reduced, the mode of estimating distances more clearly defined and prescribed, and a small addition to postage made on books, pamphlets and packages, transmitted by the mail, to be graduated and increased according to their respective weights."

The franking privilege has been most

It is but justice to those officers to say that the most extravagant increase in the contingent expenses of Congress is in the article of printing, for which they are not responsible.

direfully abused. We have already reached a point of abuse, not to say corruption, though the Government has been in operation but about fifty years, which it has taken Great Britain centuries to attain.—Blank envelopes, I have heard it said, ready franked, have been enclosed to individuals at a distance, who have openly boasted that their correspondence is free of charge.—The limitation as to weight is now extended, I believe, to two ounces. But what of that, if a man may send under his frank a thousand of these two-ounce packages?—The limitation should be to the total weight included in any single mail, whether the packages be few or many. The report of the Postmaster General, at a former session, states the astounding fact, that, of the whole amount transported in the mails, ninety-five per cent. goes free of all duty, and letters of business and private correspondence have to defray the expenses of the whole. It is monstrous, and calls loudly for some provision to equalize the charge. The present postage on letters is enormously high in proportion to the other business of the country. If you will refuse to carry those packages, which are now transmitted by mail, simply because, in that mode, they can travel free of cost, you will greatly relieve the business interests of the country, which now bear nearly the whole burden for all the rest. This is your duty to do. Let us throw, at least, a fair portion of the burden on those who receive, at present, the whole of the benefit. Again, the law is very loose and uncertain as to the estimation of distances.—Since the introduction of steam-travel the distance travelled has in many cases been shortened, while the time consumed has been shortened. Take as an illustration, a case near at hand. The nearest distance from here to Frederick City, in Maryland, is forty-four miles; but if you go hence to the depot on the Baltimore road, and thence take the train to Frederick, you arrive sooner, but the distance is increased to one hundred miles. Now, as letters are charged according to the miles travelled, I hold it very wrong to subject a letter to this more than double charge in consequence of adopting a longer route in distance, though a shorter in time. Such cases ought to be provided against by specific rules.

I come now to the last resolution offered; which is as follows:

Resolved, That the Secretaries of State, of the Treasury, of War and of the Navy Department, and the Postmaster General, be severally directed, as soon as practicable, to report what offices can be abolished, and what retrenchments of public expenditures can be made, without public detriment, in the respective branches of the public service under their charge."

We all know that, if the heads of Departments will not go to work with us honestly and faithfully, in truth and sincerity, Congress thus unaided, can effect comparatively but little. I hope they will enter with us on this good work of retrenchment and reform. I shall be the last to express in advance any distrust of their upright intentions in this respect. The only thing that alarms me is, that two of these departments have come to us asking for appropriations far beyond any that have heretofore been demanded in time of peace, and that with a full knowledge of the fact of an empty Treasury. But I still hope, when they shall see Congress heartily, in earnest, engaged in retrenching useless expenditure, and reducing estimates that cannot be complied with, that they will boldly bring out to view all abuses which exist in their several spheres of action, and let us apply the pruning-knife so as to reduce the national expenditure within some proper and reasonable amount. At all events, they are, of course, most familiar with the details of the subject as relates to their several branches of the administration. Among other items, there are several useless mints which only operate to waste the public money. A friend, occupied in investigating this subject, has told me that the mint in New Orleans has already cost the country half a million of dollars for getting ready to coin bullion not yet dug out of the mine!

[Mr. BERKELEY here spoke across something not heard by the Reporter in relation to the mint at Dahlonega, which excited much mirth in the neighboring part of the Chamber.]

While every piece of coin made by these useless establishments could just as well be coined by the central mint at Philadelphia. And now, having gone through with all the details of this series of resolutions, which I thought it my duty to notice, allow me, in drawing a conclusion of these remarks, to present some of the advantages which it appears to me should urge us to adopt the system of financial arrangement contemplated in the resolutions.

And first, The Government will, in this way, secure to itself an adequate amount of revenue, without being obliged to depend on temporary and disreputable expedients, and thus preserve the public credit unsullied—which I deem a great advantage of the plan. Credit is of incalculable value, whether to a nation or an individual.—England, proud England, a country with which we may one day again come in conflict—though it gives me pleasure to say that I cannot perceive at present the least "speck of war" in the political horizon—owes her greatness, her vastness of power, pervading the habitable globe, mainly to her strict and uniform attention to the preservation of the National credit.

2. The next thing recommended is retrenchment in the National expenditure, and greater economy in the Administration of the Government. And do we not owe it to this bleeding country, to ourselves, and to the unparalleled condition of the times,

to exhibit to the world a fixed, resolute, and patriotic purpose to reduce the public expenditure to an economical standard?

3. But a much more important advantage than either of those I have yet adverted to is to be found in the check which the adoption of this plan will impose on the efflux of the precious metals from this country to foreign countries. I shall not now go into the causes by which the Country has been brought down from the elevated condition of prosperity it once enjoyed to its present state of general embarrassment and distress. I think that those causes are as distinctly in my understanding and memory as any subjects were ever impressed there; but I have no desire to go into a discussion which can only revive the remembrance of unpleasant topics. My purpose, my fixed purpose on this occasion, has been to appeal to all gentlemen on all political sides of this Chamber to come out and make a sacrifice of all lesser differences in a patriotic, generous and general relief of their Country. I shall not open those bleeding wounds which have, in too many instances, been inflicted by brothers' hands—especially will I not do so at this time, and on this occasion. I shall look merely at the facts as they are. I shall not ask what have been the remote causes of the depression and wretchedness of our once glorious and happy Country.—I will turn my view only on causes which are proximate, indisputable and immediately before us.

One great, if not sole, cause is to be found in the withdrawal of coin from the Country to pay debts accrued or accruing abroad for foreign imports, or debts contracted during former periods of prosperity, and still hanging over the Country. How this withdrawal operates in practice is not difficult to be understood. The banks of the Country, when they are in a sound state, act upon this coin as the basis of their circulation and discounts; the withdrawal of it not only obliges the banks to withdraw discounts and accommodations, but to draw in what is due from their debtors, at the precise time when they, sharing in the general stricture, are least able to meet the calls. Property is then thrown into the market to raise means to comply with those demands, depression ensues, and, as is invariably the case when there is a downward tendency in its value, it falls below its real worth. But the foreign demand for specie to pay commercial and other public debts operates directly upon the precious metals themselves, which are gathered up by bankers and brokers and others, obtained from these depositories, and thence exported.—Thus this foreign demand has a double operation, one upon the banks, and through them upon the community, and the other upon the coin of the Country. Gentlemen, in my humble opinion, utterly deceive themselves in attributing to the banking institutions all the distresses of the Country. Doubtless the erroneous and fraudulent administration of some of them has occasioned much local and individual distress. But this would be temporary and limited, whilst the other cause—the continued efflux of specie from the Country—if not arrested, would perpetuate the distress. Could you annihilate every bank in the Union, and burn every bank note, and substitute in their place a circulation of nothing but the precious metals, as long as such a tariff continues as now exists, two years would not elapse till you would find the imperative necessity of some paper medium for conducting the domestic exchanges.

I announce only an historical truth when I declare, that during and ever since our colonial existence, necessity has given rise to the existence of a paper circulation of some form in every colony on this continent; and there was a perpetual struggle between the Crown and Royal Governors on one hand, and the Colonial Legislatures on the other, on this very subject of paper money. No, if you had to-morrow a circulation consisting of nothing but the precious metals, they would leave you as the morning dew leaves the fields, and you would be left under the necessity of devising a mode to fill the chasm produced by their absence.

I am ready to make one concession to the gentlemen on the other side. I admit that, if the circulation were in coin alone, the thermometer of our monetary fluctuations would not rise as high or fall as low as when the circulation is of a mixed character, consisting partly of coin and partly of paper. But then the fluctuations themselves, within a more circumscribed range, would be quite as numerous, and they will and must exist so long as such a tariff remains as forces the precious metals abroad. I again repeat the assertion that, could you annihilate to-morrow every bank in the country, the very same description of embarrassment, if not in the same degree, would still be found which now pervades our country.

What, then, is to be done to check this foreign drain? We have tried free trade.—We have had the principles of free trade operating on more than half the total amount of our imports for the greater part of nine years past. That will not do it, we see.—Do let me recall to the recollection of the Senate the period when the protective system was thought about to be permanently established. What was the great argument then urged against its establishment? It was this: that, if duties were laid directly for protection, then we must resort to direct taxation to meet the wants of the Government—every body must make up their minds to a system of internal taxation.—Look at the debate in the House of Representatives of 1824, and you will find that that was the point on which the great stress was laid. Well, it turned out as the friends of protection told you it would. We said that such would not be the effect. True, it would diminish importation, as it did; but the augmented amount of taxes would more than compensate for the reduced amount of goods. This we told you, and we were right.

How has free trade operated on other great interests? I well remember that, ten years ago, one of the most gifted of the